

# megaflex

## 2014 enrollment highlights guide

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**enroll online:**

[mylacountybenefits.com](http://mylacountybenefits.com)

**enroll by phone:**

888-822-0487

**questions?**

Benefits Hotline representatives are available

Monday through Friday,  
8 a.m. to 4 p.m. 213-388-9982

Extended hours during annual benefits enrollment  
Monday through Friday, 8 a.m. to 5 p.m.



# your benefits

The County of Los Angeles cares about you and your family. That's why we offer a comprehensive benefits program that includes medical, dental, life and disability insurance, accidental death and dismemberment, elective annual leave, and medical coverage protection (long-term disability health insurance), to help you enrich your life while protecting your future and your loved ones.

## Important Considerations

Be sure you review these benefits each year as you determine your and your family's benefit needs:

- **Annual Leave Days** – *MegaFlex* participants earn non-elective annual leave days, and may purchase one to 20 elective annual leave days. Remember you may only purchase elective annual leave days when you are newly eligible or each year during annual benefits enrollment. See page 5 for more details.
- **Spending Accounts** – These are a great way to save money on eligible health care and dependent care expenses. But remember, you must enroll each year if you want to participate in these accounts. See page 6 for important rules.

## Summary Plan Description

Your enrollment materials often refer to the *MegaFlex* Summary Plan Description (SPD). The SPD is a valuable resource containing detailed plan information. You may download a copy of the *MegaFlex* SPD at [mylacountybenefits.com](http://mylacountybenefits.com).

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a federal law gives you more options about your prescription drug coverage. Please see the Medicare notice on page 3 of the legal notices document included in your benefits enrollment packet.

## MEGAFLEX 2014 BENEFITS AT A GLANCE

### Medical

- Kaiser Permanente HMO
- Anthem Blue Cross CaliforniaCare HMO
- Anthem Blue Cross PLUS POS
- Anthem Blue Cross Prudent Buyer PPO
- Anthem Blue Cross Catastrophic Plan

### Dental

- SafeGuard HMO-style Plan
- DeltaCare HMO-style Plan
- Delta Dental PPO-style Plan

### Survivor Income Benefit Coverage (Retirement Plan E members only)

### Accidental Death and Dismemberment (AD&D) Insurance

### Disability

- Short-Term Disability (STD) Insurance
- Long-Term Disability (LTD) Insurance

### Medical Coverage Protection (Long-Term Disability Health Insurance)

### Annual Leave Days

### Spending Accounts

- Health Care Spending Account
- Dependent Care Spending Account

### Optional Life Insurance\*

- Optional Group Variable Universal Life (GVUL) Insurance
- Optional Dependent Term Life

\* You pay for both types of optional life insurance with after-tax dollars. Your premiums for the other benefits shown in this chart generally are paid for with pre-tax (before-tax) dollars.

## Choose Carefully – Your Elections Are Final

After the enrollment deadline, you will not be able to make any changes until next year's annual benefits enrollment. The only exception is if you have a qualifying life event, such as a change in family or work situation, which may make you eligible to change your elections. Some examples include birth or adoption of a child, marriage, or divorce. You must complete a life event enrollment and submit supporting documents to the Plan Administrator within 90 days of the qualifying life event. Refer to page 13 of the *MegaFlex* Summary Plan Description (SPD), available at [mylacountybenefits.com](http://mylacountybenefits.com), for details.

# medical plans

	Health Maintenance Organization (HMO) Plans	Point of Service (POS) Plans	Preferred Provider Organization (PPO) Plans	Catastrophic Plans
<b>Dependent Eligibility</b>	<p>Offers medical coverage to eligible dependents, such as:</p> <ul style="list-style-type: none"> <li>• Your spouse/domestic partner</li> <li>• Your children under age 26</li> </ul> <p>When adding eligible family members during annual enrollment, you will need to provide Social Security numbers (SSN) and required documents (birth/adoption/marriage certificate) within 10 calendar days from enrollment.</p>			
<b>Coverage</b>	<p>Provides comprehensive medical coverage, including (but not limited to):</p> <ul style="list-style-type: none"> <li>• Preventive care</li> <li>• Routine medical care</li> <li>• Major medical care</li> <li>• Behavioral health care</li> </ul>			<p>Provides comprehensive medical coverage designed to:</p> <ul style="list-style-type: none"> <li>• Cover preventive care</li> <li>• Protect you from major, unexpected medical expenses</li> </ul>
<b>Seeking Care</b>	<ul style="list-style-type: none"> <li>• You choose a primary care physician (PCP) who oversees your care and refers you to HMO specialists</li> <li>• You have a network of HMO providers to choose from who serve specific geographic areas</li> <li>• Except for emergency care, you must be treated by an HMO network physician or hospital to receive benefits</li> </ul>	<ul style="list-style-type: none"> <li>• You choose a primary care physician (PCP) who oversees your care and refers you to specialists</li> <li>• You have the freedom to see any licensed doctor or specialist without a referral from your PCP</li> <li>• Your out-of-pocket expenses will be lower when you coordinate care through your PCP and use network providers</li> </ul>	<ul style="list-style-type: none"> <li>• You can see any licensed doctor or specialist</li> <li>• Your out-of-pocket expenses will be lower when you use providers from the PPO network of participating doctors, hospitals and other health care providers</li> </ul>	<ul style="list-style-type: none"> <li>• You can see any licensed doctor or specialist</li> </ul>
<b>Determining Costs for Services</b>	<ul style="list-style-type: none"> <li>• There are no deductibles</li> <li>• You pay a specified amount for many services</li> <li>• Without the cost of a deductible and with generally lower copays, HMOs typically cost less than PPO plans</li> </ul>	<ul style="list-style-type: none"> <li>• There is no deductible if you use network providers and coordinate your care through your PCP</li> <li>• Out-of-pocket expenses are lower when you use network providers and coordinate your care through your PCP</li> </ul>	<ul style="list-style-type: none"> <li>• There is a deductible before the plan pays benefits</li> <li>• Deductible is waived for preventive care when you use network providers</li> <li>• Out-of-pocket expenses are lower when you use network providers</li> </ul>	<ul style="list-style-type: none"> <li>• You are responsible for paying the cost of your care until you reach the annual deductible</li> <li>• Once you satisfy your annual deductible, most benefits are covered at 75%</li> </ul>

For more details, review the Medical and Dental Plans Comparison Chart you received with this guide or the *MegaFlex* SPD, which is online at [mylacountybenefits.com](http://mylacountybenefits.com).

## To Find A Network Medical Provider:

### Kaiser Permanente HMO

- Go to [www.my.kp.org/ca/countyofla](http://www.my.kp.org/ca/countyofla)
- Select “clinical staff directory” in the “Get Started Now” section

### Anthem Blue Cross

- Go to [www.anthem.com/ca/countyoflosangeles](http://www.anthem.com/ca/countyoflosangeles)
- Select “Find a Doctor”

## Tobacco User Fee

Tobacco users enrolled in a medical plan under *MegaFlex* pay an after-tax charge of \$20 per month. This fee will be waived if you certify that you have not used tobacco or tobacco products within the last 12 months, or certify that you are having difficulty stopping smoking due to nicotine addiction and will actively participate in a smoking cessation program available under the County medical plans during the Plan Year.

## dental plans

Your *MegaFlex* program offers two HMO-style dental plan options:

- SafeGuard
- DeltaCare

You also have a PPO-style dental plan option:

- Delta Dental

When you enroll in one of the **HMO-style dental plans**, you choose a dental office, which becomes your “primary care office,” and you must go to this office for all of your dental care.

The **PPO-style dental plan** option offers two different networks of participating dentists and dental care providers:

- Delta Preferred Provider Option (PPO) network: Using this network offers the highest benefits. Most preventive services are covered at 100%; many other services are covered at 85%. You pay no deductible.
- Delta Participating Dentist network: Delta pays benefits based on a

fee agreement with the network’s dentists. Most routine services are covered at 80%, after you’ve met a deductible.

When you enroll in a PPO-style dental plan, you can go to any dentist in either network, or to an out-of-network dentist.

When you use network providers, the plan pays higher benefits (you pay less).

For more details, review the Medical and Dental Plans Comparison Chart you received with this guide or the *MegaFlex* SPD, which is online at **mylacountybenefits.com**.

### To Find A Network Dentist:

#### SafeGuard

- Go to [www.safeguard.net](http://www.safeguard.net)
- Select “Find a Dentist” and follow the instructions

#### DeltaCare and Delta Dental

- Go to [www.deltadentalins.com](http://www.deltadentalins.com)
- Select “Find a Dentist” and follow the instructions



## prescription drug benefits



Your medical coverage includes prescription drug coverage. For more details about these benefits, review the Medical and Dental Plans Comparison Chart you received with this guide or contact your medical plan.

If you are taking “maintenance medication” — for high blood pressure, cholesterol, thyroid conditions, or birth control, for example — using your plan’s mail-order service will generally save you money. Plus, you get the convenience of having your medications delivered to you rather than having to pick them up at the pharmacy.

### Save Money with Generic Drugs

You’ll save money when you substitute brand-name drugs with generic drugs, which become available when the original patent on the brand-name drug expires. When you’re prescribed a brand-name drug, ask your health care provider if a generic version is available.

# additional protection

Sometimes, the unexpected happens and it affects not just your own life, but also the lives of those you care about. Your *MegaFlex* program offers disability, life insurance, AD&D insurance, and LTD health insurance to protect you and your family.

## Short-Term Disability

The County provides short-term disability (STD) coverage to replace 70% of your monthly pay after a 14-day waiting period if you are ill or injured and cannot work. You may purchase additional coverage to replace 100% of your monthly salary for 21 days after a seven-day waiting period, and 80% thereafter. This additional coverage will apply to new injuries occurring on or after your STD coverage begins. You receive STD benefits for up to 26 weeks.

## Long-Term Disability

You can buy long-term disability (LTD) coverage to replace 40% to 60% of your income, which will be in effect once your STD benefits end (or after you complete a six-month waiting period). See the *MegaFlex* SPD, at [mylacountybenefits.com](http://mylacountybenefits.com), for more information.

If you are a Retirement Plan E member with five or more years of continuous service, the County pays for the 40% LTD coverage option.

## Medical Coverage Protection Long-Term Disability (LTD) Health Insurance

If you elect either the 40% option or the 60% option for the long-term disability benefit, you may also enroll in the LTD Health Insurance plan, which is designed to help you continue your medical insurance coverage.

If you are participating in the *MegaFlex* program and become disabled after January 1, 2007, you'll be covered by LTD health insurance at no cost to you, provided you meet the eligibility requirements. LTD health insurance pays 75% of your monthly medical premium

and you pay the remaining 25%. Beginning January 1, 2007, if you're eligible for LTD health insurance, you can elect to buy additional coverage at a cost of \$3.00 per month, which pays 100% of your medical plan premium while you receive LTD benefits.

If you do not elect (or you cancel) the optional 100% LTD health insurance coverage for a Plan Year, you cannot elect this coverage for the next Plan Year. You must wait two calendar years before you again have the option to elect this coverage.

## Survivor Income Benefit Plan (for Retirement Plan E members only)

The survivor income benefit is a life insurance plan offered to members of Retirement Plan E. If you die, benefits from this plan are paid to your surviving spouse/domestic partner or your unmarried dependent children. New hires and newly eligible *MegaFlex* employees can purchase coverage equal to 10%, 15%, 25%, 35% or 50% of their monthly salary. Each year, during annual benefits enrollment, you may elect to increase coverage one level (for example, from 25% to 35%). The County pays 50% of the monthly premium and you pay the rest with pre-tax dollars.

Note: If you choose the Survivor Income Benefit option, you will be limited in the amount of optional group variable universal life (GVUL) insurance coverage you can buy. See the *MegaFlex* SPD, at [mylacountybenefits.com](http://mylacountybenefits.com), for more information about the coverage limits, how benefits are paid, and how much your coverage will cost.

## Optional Group Variable Universal Life (GVUL) Insurance

As an eligible *MegaFlex* participant, you can buy GVUL insurance for yourself. You can purchase coverage of one-half to eight times your annual salary. The County pays 50% of the cost of coverage and you pay the rest after tax.

If you purchase optional GVUL insurance, you may also purchase a limited amount of life insurance coverage for your spouse/domestic partner and dependent children. The GVUL program is available through MetLife and offers premiums at affordable group rates. You can keep your coverage if you end your employment with the County.

## Accidental Death and Dismemberment Insurance

You can buy AD&D insurance at low monthly rates. If you die in an accident, become paralyzed, or lose a limb, eyesight, speech, or hearing because of an accident, your AD&D insurance pays benefits. Review your Personalized Enrollment Worksheet for AD&D coverage amounts and monthly costs.

If you have AD&D coverage under *MegaFlex*, you may also buy coverage for your eligible spouse/domestic partner and dependent children. See the *MegaFlex* SPD, at [mylacountybenefits.com](http://mylacountybenefits.com), for important rules.

## Annual Leave Days

Instead of traditional vacation and sick leave days, *MegaFlex* participants earn annual leave days, and may buy additional days.

Annual leave consists of non-elective (earned) and elective (bought) days. Each year you earn up to 10 non-elective days based on how long you worked the year before. You may also buy from one to 20 elective annual leave days each plan year. The County issues annual leave days only in eight-hour increments (whether you earn or buy them).

You may buy from one to 20 elective annual leave days (8 to 160 hours) each year. Remember, if you want to purchase them, you must purchase them when you are newly eligible or each year during annual enrollment. See the *MegaFlex* SPD, at [mylacountybenefits.com](http://mylacountybenefits.com), for more information.

# spending accounts

Spending Accounts offer a great way to save money on eligible health care and dependent care expenses. You never pay federal or state income taxes on the money you contribute. That means you could save between 10% and 30% on every dollar you spend on health care or dependent care, depending on your tax bracket. However, you should carefully estimate the amount of expenses that you'll be able to pay from these accounts to determine how much you want to contribute. If there's money left in your account at year end, you won't get it back (IRS requirements). This is sometimes referred to as the "Use it or Lose it Rule."

That's why it's important to take a little time to plan, and don't put more in your account than you estimate you will spend for the year. *MegaFlex* offers two types of Spending Accounts:

## Tutorial and Calculators Available Online!

Online tutorials and calculators are an easy way to learn how to use Spending Accounts and plan your contribution amount. To access the online tutorials, log on to [mylacountybenefits.com](http://mylacountybenefits.com) and select "Online Tutorials" from the "my tools" drop down menu at the top of the page.

Enroll in Either or Both	
Health Care Spending Account	Dependent Care Spending Account
<p>Pay for eligible health care expenses with pre-tax dollars, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Medical plan copays</li> <li>• Deductibles</li> <li>• Prescription drugs</li> <li>• Eyeglasses, contacts, laser eye surgery</li> <li>• Out-of-pocket dental expenses</li> <li>• Hearing aids and tests</li> <li>• Chiropractic care</li> <li>• Nicotine patches and nicotine gum prescribed by a doctor</li> <li>• Plus many more expenses</li> </ul> <p>Some expenses (such as insurance premiums) are not eligible for reimbursement.</p>	<p>Pay for eligible dependent care expenses with pre-tax dollars while you and your spouse work outside the home. These expenses include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• The cost of properly licensed day care centers, summer day camp</li> <li>• Nursery school</li> <li>• Preschool</li> <li>• Child and adult day care provided at your home</li> </ul> <p>Dependent Care expenses must be used for the care of a:</p> <ul style="list-style-type: none"> <li>• Child under the age of 13</li> <li>• Mentally or physically disabled child of any age, or</li> <li>• Legally dependent adult who spends a minimum of eight hours each day in your home and is unable to care for himself/herself</li> </ul>
When you enroll, you decide how much to contribute to each account	
You can contribute a maximum of <b>\$200 a month</b>	You can contribute a maximum of <b>\$400 a month</b>
Expenses for both types of Spending Accounts must be incurred by December 31, 2014, and submitted for reimbursement by June 30, 2015. See the Spending Account section of the <i>MegaFlex</i> SPD, at <a href="http://mylacountybenefits.com">mylacountybenefits.com</a> , for more information about eligibility and what other types of expenses you can pay with tax-free dollars through a Spending Account.	

## Make Your Dependent Care Spending Account Even More Valuable

If you have eligible dependents and enroll in the Dependent Care Spending Account, the County will make a nontaxable monthly contribution based on your annual pay. You don't need to contribute, but you must enroll to be eligible for the County contribution. See the chart at the right to find out how much the County will contribute in 2014.

YOUR ANNUAL BASE PAY	COUNTY'S MONTHLY CONTRIBUTION (Subject to Annual Cap on Contribution)
Less than \$30,000	\$375
\$30,000 to \$34,999	\$300
\$35,000 to \$39,999	\$275
\$40,000 to \$44,999	\$200
\$45,000 to \$49,999	\$125
\$50,000 or more	\$75

Total contributions, yours and the County's, to a Dependent Care Spending Account cannot exceed \$4,800 a year if married and filing jointly, or \$2,500 if married and filing separately (IRS limits).

**Important Note:** The County caps total annual County contributions. If the cap is reached for 2014, the monthly contribution described above will be reduced pro rata for the month in which the cap is reached and then will be stopped completely for the remainder of the Plan Year. Because of the cap, there is no guarantee that you will receive the full monthly contribution shown above during the entire plan year. You will be notified if the County contribution is reduced or stopped during the Plan Year. See the *MegaFlex* SPD, at [mylacountybenefits.com](http://mylacountybenefits.com), for more information.

# health care reform for 2014

Health Care Reform is heating up for 2014. You may be familiar with some of the law so far, including:

- No lifetime dollar limits on essential health benefits
- Dependent coverage up to age 26

The County has been required to comply with certain parts of the health care reform law for the past few years. But, on January 1, 2014, individuals will face the first requirements under the law: with limited exceptions, individuals must have health insurance or pay a fine. This is known as the individual mandate.

## Introducing the Health Insurance Marketplace

To make sure that everyone can comply with this new law and has access to affordable coverage, the Government will launch the Health Insurance Marketplace, sometimes called a health insurance exchange.

Although any individual may purchase coverage through the health insurance marketplaces, those marketplaces are designed primarily for individuals who are not offered employer-sponsored health insurance coverage that meets certain minimum value and affordability standards required by the Affordable Care Act.

The County offers comprehensive, subsidized medical coverage to its employees, which meets or exceeds the “minimum value” standard the government requires, and which is intended to be affordable based on your wages. Employees enrolled in medical coverage through *MegaFlex* will not be eligible to receive a federal subsidy or tax credit through the health insurance marketplace. [Note: even if you qualify to waive enrollment in *MegaFlex* medical coverage, your *eligibility* to enroll in *MegaFlex* medical coverage prevents you from qualifying for a federal

subsidy or tax credit if a coverage option available through *MegaFlex* that meets the minimum value also meets affordability standards based on your actual household income.]

## Who will benefit from the marketplace?

The Health Insurance Marketplace is designed primarily to benefit individuals who are not offered employer-sponsored health coverage that meets minimum value and affordability standards.

## How do I get more information on the marketplace?

For more information on the marketplace, please refer to the legal notices document included in your benefits enrollment packet.

## Someone Like You

Let's take a look at an example of a County of Los Angeles employee who may be wondering how Health Care Reform may affect her in 2014.

Meet Shauna – she is 47 years old and has worked for the County for just over 4 years. She is currently enrolled in her *MegaFlex* benefits and is covering her dependent daughter. Her husband is enrolled under his own employer coverage.

Starting January 1, 2014, most Americans must have health care coverage. Shauna already has coverage through her *MegaFlex* benefits so she will not have to pay a penalty to the Government.

But Shauna has seen a number of television commercials about other coverage offered by insurance companies through the Health Insurance Marketplace and is curious about whether they might be something she should consider. Shauna decides

to explore her choices through the marketplace but discovers a few key points that help with her decision:

### 1. Can she waive *MegaFlex* medical coverage?

Purchasing coverage through the marketplace for 2014 will not allow Shauna to waive her *MegaFlex* coverage. *MegaFlex* employees may only waive if they are the primary subscriber (and not a dependent) in another employer's group plan, retirement medical plan, or have Medicare. She still would have coverage through *MegaFlex*.

### 2. Can she receive a subsidy or tax credit?

Because she is enrolled in a *MegaFlex* medical plan, she is not eligible for a subsidy or tax credit. If she chose to purchase through the marketplace, she would pay the full cost of the coverage with after-tax dollars and would still be required to purchase

coverage under *MegaFlex* (so it would cost her even more). [Note: even if she qualified to waive *MegaFlex* coverage, she would not be eligible for a subsidy or tax credit if her share of the cost of an employee-only coverage option under *MegaFlex* that meets minimum value standards is not greater than 9.5% of her household income.]

### 3. Does *MegaFlex* provide comprehensive coverage?

One of the main goals of Health Care Reform was to provide access to coverage for people without access to employer-sponsored benefits. Shauna's *MegaFlex* coverage is comprehensive and intended to be affordable – and a good choice for Shauna and her family.

By doing a little research, Shauna understands why the Health Insurance Marketplace has been rolled out, but that it's not intended for her.



#### CONTACT INFORMATION

Contact	Phone Number	Fax Number	Website
<b>BENEFITS SYSTEM</b>			
Benefits Enrollment	888-822-0487	310-788-8775	<a href="http://www.mylacountybenefits.com">www.mylacountybenefits.com</a>
<b>COUNTY DEPARTMENT OF HUMAN RESOURCES</b>			
Benefits Hotline	213-388-9982	N/A	<a href="http://dhr.lacounty.info/">http://dhr.lacounty.info/</a>
<b>MEDICAL</b>			
Kaiser Permanente	800-464-4000	N/A	<a href="http://my.kp.org/ca/countyofla">my.kp.org/ca/countyofla</a>
Anthem Blue Cross	866-940-8303	N/A	<a href="http://www.anthem.com/ca/countyoflosangeles">www.anthem.com/ca/countyoflosangeles</a>
<b>DENTAL</b>			
SafeGuard	800-880-1800	N/A	<a href="http://www.safeguard.net">www.safeguard.net</a>
DeltaCare	800-422-4234	N/A	<a href="http://www.deltadentalins.com">www.deltadentalins.com</a>
Delta Dental	888-335-8227	N/A	<a href="http://www.deltadentalins.com">www.deltadentalins.com</a>
<b>FLEXIBLE SPENDING ACCOUNTS</b>			
Benefit Concepts, Inc.	866-629-6436	866-629-6390	<a href="http://www.mylacountybenefits.com">www.mylacountybenefits.com</a>
<b>LIFE</b>			
MetLife	800-846-0124	N/A	<a href="http://www.mylacountybenefits.com">www.mylacountybenefits.com</a> Click on the MetLife link
<b>AD&amp;D</b>			
CIGNA Life	800-842-6635	N/A	<a href="http://www.mycigna.com">www.mycigna.com</a>

The County reserves the right to take appropriate action against anyone who knowingly presents a false or fraudulent claim under the Plan, or who otherwise attempts to defraud the Plan, including (but not limited to) termination from participation in the Plan and of employment.

This Highlights Guide is not an official *MegaFlex* Summary Plan Description (SPD) or official plan document. If you need a copy of an official plan document, contact the plan's customer service department directly. If there is a difference between what you read in this guide and what you read in an official plan document, the official plan document will rule.



This newsletter is printed on recycled paper to support the County's commitment to the environment.